

REP. GEORGE MILLER | U.S. CONGRESS

CALIFORNIA'S 7TH DISTRICT

*Senior Democrat, Education & Workforce Committee • Member, Resources Committee
Chairman, Democratic Policy Committee*

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REP. MILLER STATEMENT ON TREASURY DEPT. CASH BALANCE PROPOSALS

WASHINGTON - Rep. George Miller (D-CA), senior Democrat on the House Education and Workforce Committee, issued this statement in response to the Treasury Department's revised proposal regarding cash balance pension conversions, outlined in the President's budget:

"A strong reaction from Congress and the public forced the Bush Administration to back off its initial proposal regarding cash balance pension plans. I look forward now to carefully reviewing the details of any legislative proposal they might submit in its place.

"But the documents I have been able to review today indicate that the Administration's plans leave a lot of unanswered questions and possibly dangerous loopholes. The pension proposal contains no protections for workers in companies that have already converted to cash balance pension plans and in fact may permit employers to play games by using dubious interest rate assumptions in their new plans. Most importantly, the proposal provides no guarantee that all employees who would be harmed by a conversion to a cash balance plan would have the right to stay in the company's traditional pension plan until they retire."

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